

**CLAIM AMENDMENTS:**

This listing of claims will replace all prior versions and listings of claims in the application:

- 1-20. (Canceled)
21. (Previously presented) A method for inducing chondrogenesis, said method comprising administering an effective amount of a composition comprising CD105+ cells isolated from bone marrow and a suitable matrix carrier.
22. (Canceled)
23. (Currently amended) The method of claim 21 further comprising administering a bone ~~and/or~~ and/or cartilage inducing factor.
24. (Original) The method of claim 23 wherein said factor is a BMP.
25. (Previously presented) The method of claim 24 wherein the BMP is BMP-2 or BMP-9.
26. (Previously presented) A method for treating arthritis, said method comprising administering an effective amount of a composition comprising CD105+ cells isolated from bone marrow and a suitable matrix carrier.
27. (Previously presented) A method for treating articular cartilage defects or damage, said method comprising administering an effective amount of a composition comprising CD105+ cells isolated from bone marrow and a suitable matrix carrier.
28. (Currently amended) A method for repairing cartilage tissue said method comprising administering an effective amount of a composition comprising CD105+ cells

isolated from bone marrow, [(2)] a suitable matrix carrier; and [(3)] a factor selected from bone inducing factors [[and]] and/or cartilage inducing factors.

29. (Previously presented): The method of claim 28 wherein said factor is a BMP.

30. (Canceled)

31. (Previously presented) The method of claim 29 wherein the BMP is BMP-2 or BMP-9.

32. (Currently amended) The method of claim 26, further comprising administering a bone and/or cartilage inducing factor.

33. (Previously presented) The method of claim 32, wherein said factor is a BMP.

34. (Previously presented) The method of claim 33, wherein the BMP is BMP-2 or BMP-9.

35. (Currently amended) The method of claim 27, further comprising administering a bone ~~and-or~~ and/or cartilage inducing factor.

36. (Previously presented) The method of claim 35, wherein said factor is a BMP.

37. (Previously presented) The method of claim 36, wherein the BMP is BMP-2 or BMP-9.